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AUTHOR Yakimovicz, Ann D.
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ABSTRACT

With the United States experiencing a changing work force and changing economic conditions, training is perceived to be a necessary component of business operations. Research findings conclude that women in business value relationships and human resources more highly than men do. In the context of these two conditions, a pilot study was conducted to determine if a common set of attitudes about training can be found among women business owners. The population for the study was women business owners who are members of the National Association of Women Business Owners in Houston, Texas. Questionnaires were developed and mailed to 136 chapter members, with usable responses received from 42 (31 percent). Most of the women who responded were owners of very small businesses, and the majority had been in business less than 10 years. The study found that women owners of smaller, younger companies are more likely to be focused on changing trends in training, such as interpersonal skills or employee needs. Owners of older, more established companies are more likely to see training as part of their strategic planning; they are more supportive of long-term employee development and training that teaches employees how to learn. Owners of companies older than 20 years were least likely to agree that their training programs have been extremely successful. The study did not determine whether the training attitudes found are gender related. (Contains 10 references.) (KC)

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Training Attitudes of Women Business Owners: A Houston Cohort

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Ann D. Yakimovicz

Bryan, Texas

Paper presented at the annual meeting of the American Association for Adult and Continuing Education, Dallas, Texas, November 1993

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Introduction

Change in the workplace is occurring in both organizational structure and management style. Companies are flattening, with less middle management and more decision-making responsibility given to front-line workers. This has been identified as a more participative, collaborative, and female management style. Sally Helgesen (1990) studied the management style of female executives in The Female Advantage: Women's Ways of Leadership, finding her study participants leading with voice rather than vision, with networks and inclusive organizational structures rather than hierarchies and exclusive organizational levels. Management authors now argue this cooperative, female management style is the appropriate behavior to use in leading companies into the 21st Century (Hawken, 1992; Naisbitt & Aburdene, 1992).

In a widely-discussed article in Inc. magazine, Paul Hawken called for an "economics of restoration" as the basis of business, saying

> Business is the only socially sanctioned addiction, the addiction to fame, wealth, and power. It is peculiarly male and represents only one possible reality. The economics of restoration is decidedly female. It is not an economy of stuff and things. It's one of processes, relationships, and connectedness (Hawken, 1992, p. 100).

Hawken's stance supports the position first identified by Gilligan in her 1982 work, In a Different Voice: Psychological Theory and Women's Development. Gilligan argues that "women are oriented toward attachment and connectedness" (Walsh, 1987, p. 976), placing high value on this moral orientation. This

position contrasts with the theories of male psychologists, who classified men as more mature for a moral orientation toward abstract justice and law.

The business environment contains conceptual resources (ie., data and information) and physical resources--facilities, equipment, materials, money, and personnel. Personnel "are the most valuable physical resource because of their unique skills" (McLeod, 1989, p. 94). These human resources are usually the focus of connectedness and interrelationships through the training function in an organization.

In 1990, the Carnegie Foundation for the Advancement of Teaching published The Learning Industry: Education for Adult Workers, reporting that "a vast and still growing network of adult training is coming into the workplace...that education has become a necessity...if workers are to perform adequately, find fulfillment in their lives, and contribute to our advancement as a country" (Eurich, 1990, pp. 1-2). The value of training is heralded on many fronts, especially in economic terms, to support competitive advantage. Chmura, Henton, and Melville (cited in London, 1989) found that training supports competitiveness by contributing to a stable human resources base for industry.

Four common circumstances affect the workforce today: 1) the work force is growing slowly, demanding most effective use of current workers; 2) the work force is changing culturally, with differing work values and lack of basic workplace skills; 3) the trend towards participatory, team-organized work styles

requires ability to work together; and 4) today's fluctuating organizational structure requires new ways of solving job security concerns in order to keep the "best and brightest" employees (London, 1989). Training is seen by business managers and executives as the best tool for managing these circumstances (Eurich, 1990; London, 1989).

However, training in most organizations is found strictly at the operational level, brought in as a solution to problems identified in day-to-day work. These changes in the workforce, and in the total workplace environment, call for movement of training considerations to the strategic level (Rosow & Zager, 1988). One list of typical training objectives in today's organization exemplifies the need to consider training in the planning process at the top levels of an organization:

- Teaching entry-level skills
- Orienting newcomers
- Creating advanced skills hard to locate in labor market
- Attracting and retaining talent
- Retraining dislocated workers
- Meeting equal-employment-opportunity goals
- Improving work-group effectiveness
- Reinforcing a company's culture
- Changing a company's culture
- Providing skills to high-potential managers
- Reinvigorating burned-out workers
- Improving job productivity (London, 1989, p. 10)

These identified "change" issues led to curiosity about training attitudes of women business owners. Are women really leading the way, using training to change business styles and strategies in the United States? This researcher developed a plan and conducted a pilot study to find out. The research question asked was:

Can a common set of attitudes about training be found among women business owners who are members of the National Association of Women Business Owners in Houston, Texas?

Methodology

The Houston National Association of Women Business Owners (NAWBO) Chapter was chosen because its members represent companies differing by industry, company age, and size, in one of the largest United States metropolitan areas. A cover letter and a two-part questionnaire consisting of a demographic survey and a 24-statement attitude survey was sent to each of the 136 chapter members. Three questionnaires were returned as undeliverable; three were returned by members who are not business owners. A follow-up postcard was mailed 10 days after the initial questionnaire was sent. Forty-two completed questionnaires were returned, for a response rate of 31%. These 42 responses are the population used for the data analysis.

The demographic survey included six questions asking industry type, company size based on annual sales or billings, number of employees, company age, company changes, and experience of economic changes. Four questions related to training--whether training is provided, who provides the training, what percentage of the annual budget is allocated for training, and who is the training decision-maker.

The attitude survey (see Appendix), on which respondents marked a seven-point scale ranging from "Strongly Disagree" to

"Strongly Agree", was composed of 24 statements based on constructs defined as the three areas of management responsibility--strategic, tactical, and operational. Nine strategic statements were directed towards the goals and objectives of the company, eight tactical statements focused on task analysis and implementation of strategies, and seven operational statements were concerned with keeping employees on track to accomplish work tasks. In addition, five of the statements described a training issue with connectedness as the base construct. Current training issues for use in the survey were drawn from articles in Training and Development and Inc. magazines, reviewing all issues between January 1988 and September 1992. The final survey form was reviewed by two experts in human resource development and survey design prior to mailing.

Findings

Demographic Survey

Analysis of the demographic survey provides a description of the businesses owned by the respondents. The respondents' companies were compared on company size in annual sales or billings, on industry type, and on company age.

The company size variable has five categories of annual sales/billings developed from Small Business Administration definitions (Carland & Carland, 1990). Under those guidelines, "small" businesses have annual sales or billings less than $14.5

million. Fourteen respondent businesses have annual sales less than $250,000; 13 have annual sales between $250,000 and $1 million; and 10 have annual sales over $1 million but less than $14.5 million. Of the 40 respondents who replied to this question, 37 are classified as small businesses.

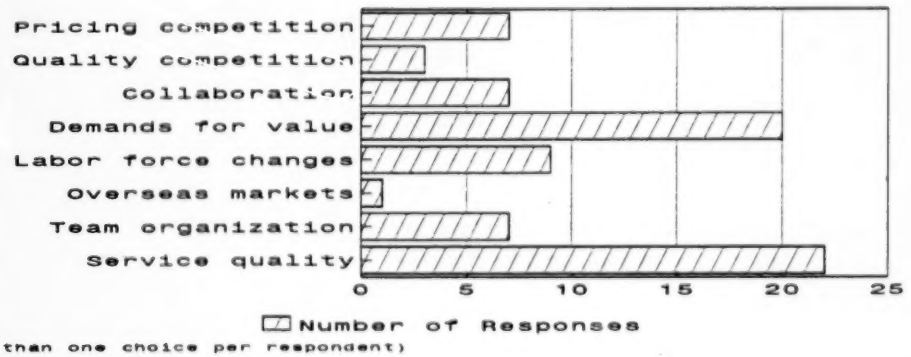
The industry variable utilizes categories developed by the U.S. Department of Commerce (Carland & Carland, 1990). Two industry categories--Agricultural and Mining/Oil & Gas--were not chosen by any respondent. Of the 42 respondents, 19 own service businesses, six are in construction, four are in retail trade, four are in wholesale trade, three are in banking/finance, three are in manufacturing, one is in communications, one is in health care, and one is in transportation. With small businesses represented by the majority of respondents, the large number of responses in the service industry category is not surprising. Small businesses are more likely to dominate in industries such as services where capital investment requirements are smaller (Carland & Carland, 1990).

Company age is the third demographic variable. Five companies have been in business less than two years, 12 are in the 2-to-5-year category, 14 are in the 5-to-10-year category, six are in the 10-to-20-year category, and five have been in business longer than 20 years. Since Dun & Bradstreet reports that 50% of all new business ventures fail during the first five years, with as few as 20% surviving for ten years (Carland & Carland, 1990), the respondents reflect a typical company age

pattern, heavily weighted toward younger companies.

These respondents have experienced substantial change. 36% of respondents report that their company has undergone major changes such as buyout, acquisition, or downsizing in the past three years. 88% report economic changes which have altered their business practices, predominantly changes in demand for high quality service, in customer expectations of value, and in the available labor force. Figure 1. characterizes the reported change experiences.

Figure 1. Changes Affecting Business



(more than one choice per respondent)

Training is a fact of life for survey respondents. 83%, or 35 respondents, reported that their company provides training to employees. Six respondents reported they do not. Of these six, four are companies with only one employee; one has three full-time and two part-time employees; and one has 10 full-time and 10 part-time employees. On average, respondents report 2.97% of their company's annual budget is spent on training. Training topics and personnel to train is an upper management decision for 31 respondents, with three giving the responsibility to a

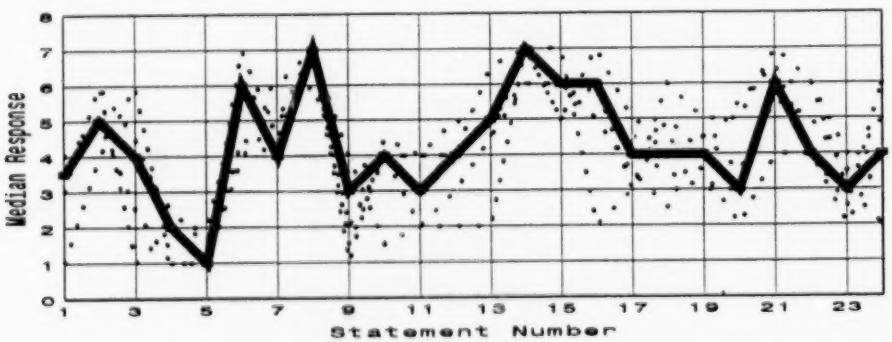
training/personnel department, two to supervisors, and one to employees.

Attitude Survey

The survey was designed using an ordinal scale with a range of seven choices, from "Strongly Disagree" to "Strongly Agree", for each of 24 statements about training. Once all responses were received, the SPSS statistical package was used to provide stem-and-leaf plots and median scores for responses to each statement. The median score was chosen as a better reflection of the data than an average score.

A profile line process (Stratos Group, 1990) was used to develop a group profile of the median scores for all statements. This group profile served as a baseline for comparison with profiles developed for subgroups within the sample. These comparison subgroups were the age, size, and industry variables from the demographic data. A example of profile comparisons between the baseline and age variable is depicted in Figure 2.

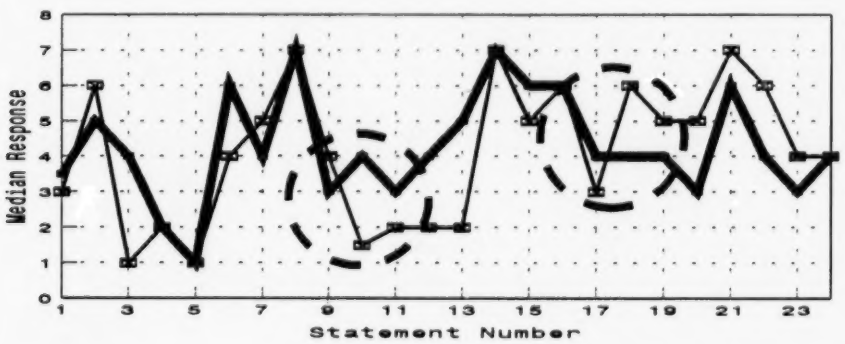
Figure 2. Baseline vs. Each Age Group



A general comparison was made between the baseline and the subgroup profiles which surround it, studying the range of lines for each survey statement.

In addition, a comparison was performed between the baseline and each category within the demographic variable items. An example of a profile comparison graph is shown in Figure 3. This comparison was performed for each age and size category and for each industry category containing three or more respondents. Analysis of the baseline and category profiles identified statements in which the median for the subgroup was substantially different from the baseline. "Substantially different" is defined as a change in directional slope of the line about a point and variation of more than one interval between median scores. Figure 3. also depicts examples of profile variation found in this analysis.

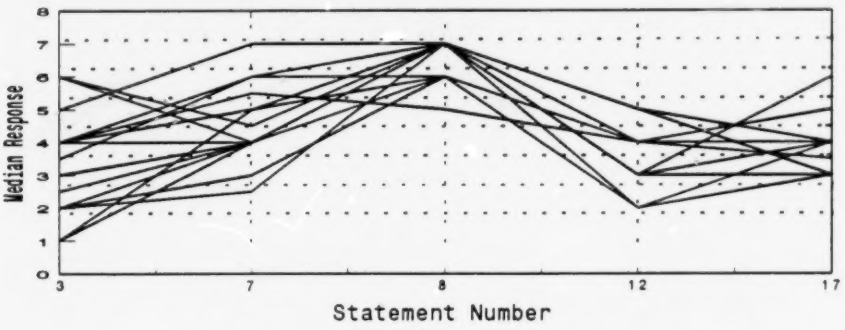
Figure 3. "Over 20 Yrs." vs. Baseline Profile



Discussion

The first profile analysis was conducted on the construct groups--strategic, tactical, operational, and connectedness statements--comparing median profiles for each category of the three demographic variables. No match in profile pattern was found for any of the three areas of management responsibility. Four of the five connectedness statements showed wide variation around the median. Only Statement 8., "All employees should receive on-going training", showed limited variation around the median. Figure 4. shows this pattern.

Figure 4. Connectedness Statements Comparison
---by Category---



Following the categorical comparison for groups of statements by construct, the full profiles for all 24 statements were compared. The location of category profiles varied around the baseline by demographic variable. The widest change in variation is seen in the size categories, followed closely by the age categories, with the least variation occurring in the industry categories.

Five statements were identified as having the least median

agreement--3, 10, 18, 20, and 24. Statements 3 and 18 have an operational focus; statements 10, 20, and 24 have a strategic focus.

> #3. Our training program includes skills for understanding changes in the composition of the workforce, family issues, and counseling needs.

The median of statement 3 is higher--showing strong agreement with the statement--for the retail trade subgroup, indicating the primary human resources investment in this industry. Statement 3's median is also higher for companies less than 2 years old and for companies over $14.5 million in size. Further research is needed to identify reasons for this attitude. Both enthusiasm and financial ability to encourage training for long-term results may be factors.

> #10. Economic changes in the workplace are reflected by major changes in our training programs.
>
> #20. Our training program has not changed significantly in the last five years.

The subgroup profiles for Statement 10 fall below the baseline for companies older than 20 years of age and for companies in financial and manufacturing industries. For the banking/finance sector, this finding may reflect an industry attitude of conservatism in handling change. For the manufacturing sector, this finding is more surprising, given the nationwide emphasis on "total quality management" and workforce teams to increase manufacturing competitiveness on a global scale. However, this subgroup also has the greatest profile variance with Statement

20, indicating that training programs in manufacturing have, indeed, changed. The underlying reasons for the discrepancy between the two statements in this subgroup require additional research to determine. For older companies, the attitude may be the result of resistance to change or of long-term planning which anticipates change. The former reason seems more likely since respondents in the "Over 20 Years of Age" subgroup also have a higher agreement median for Statement 20.

#18. The most important training in our company is presentation of our standardized policies and procedures.

Variation from the baseline for Statement 18 occurs in several subgroups: banking/finance, manufacturing, companies $3.5-$14.5 million and over $14.5 million in size, and companies over 20 years of age. All of these subgroups show stronger agreement with the statement. Both banking/finance and manufacturing are heavily regulated industries, which may support the emphasis on standardization training. The reasons for the variation found in the latter subgroups are more speculative. Although these companies are older and larger, the number of employees varies from under 20 full-time to nearly 3000 part-time employees. Entry-level training appears to be only part of the explanation, while emphasis on standardization for quality control may be another part.

#24. Appropriate recruitment policies cannot reduce the need for remedial skills training.

The widest variation around the baseline occurs for Statement 24, from a median of 1 for companies over $14.5 million in size, to a

median of 2 for companies in the construction industry, to a median of 6 for companies $3.5-$14.5 million in size and for companies less than 2 years old. This response shows the impact of including training in a company's strategic planning. For young companies with need for an immediate workforce, recruitment plans will not influence hiring for some time. Larger, older and more flexible companies can more easily delay hiring until appropriate employees are found, and they are more likely to view their training program as a recruitment tool.

Summary

In analyzing the more substantial variation around the baseline for age and size categories as opposed to industry categories, it appears that owners of smaller, younger companies among the respondents, are more likely to be focused on changing trends in training, ie. interpersonal skills, or support for employee needs both on and off the job. These are training issues with an operational focus. Owners of older, more established companies are more likely to see training as part of their strategic planning. They are more supportive of long-term employee development and training which teaches employees how to learn. Companies older than 20 years of age were least likely to agree that their training programs were extremely successful. This study identifies company age and size are related to owner attitudes toward training. A common attitude toward connectedness in training issues was found. Whether this attitude is gender-related cannot be determined from this study.

In the United States, training is now seen as a solution to many economic problems. This study distinguishes several factors which are related to training attitudes. Additional research is needed to identify factors which influence the development of training attitudes. Suggested additional variables for consideration include the respondent's age, work and management experience, and the organizational level of trainers within the company. Understanding training attitudes is an important first step to development of a strategically-based training program.

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